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What we hoped to accomplish in Phase I I -

- A Increase U.S. intelligence with respect to Cuba and Cuban activities in the Hemisphere.
- B Undertake as many political, economic, psychological and other actions as feasible, designed to weaken the Castro regime and isolate it from the rest of the Hemisphere.

What was accomplished in Phase I

- A With reference to A above, the following were accomplished:
 - An increased number of reports from friendly embassies 1. in Habana and improved mechanism for distribution of these reports to agencies concerned.
 - Greater vigilance on the part of our embassies and improved 2. reporting on Cuban activities throughout the world.
 - Regular de-briefing of U.S. and foreign newsmen as well as foreign diplomats who have visited or are posted in Cuba.
 - An improved program of acquisition of Cuban newspapers and other publications.
 - Provision of a list of U.S. citizens now in the U.S. who have lived in Cuba, as possible sources of intelligence information.
 - Publication and dissemination of several intelligence reports covering Cuba (as well as contributions to USIB reports).
- B With respect to B above, the following were accomplished:

Political

DEPARATINT OF STATE A/CDC/MR As a result of the major U.S. effort at the Punta del matering, Cuba was excluded from the OAS, and

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two Special Committees were established to deal with Guban-Communist subversion. (For the actions taken to implement the Punta del Este decisions, please see Annex #1).

- b. Fifteen American republics no longer maintain diplomatic relations with Cuba.
- c. Overwhelming defeat in the UN of Cuban sponsored resolutions charging U.S. with planning an invasion of Cuba.
- d. As a result of efforts by the Secretary and Mr. Rostow, NATO has become more aware of U.S. concern over Cuba. No significant actions that might materially affect the situation in Cuba are expected from NATO in the near future, however, since NATO continues generally to regard Cuba as a U.S. problem.
- e. A wide variety of conversations held both by Embassy officers throughout the Hemisphere and by Departmental officers in Washington with government officials, politicians, labor, student and other groups have constituted an important factor in their greater awareness of Castro-Communist subversive techniques as well as their increasingly low opinion of Castro and Castroism. These conversations have contributed to influencing the policies of the governments concerned and stimulating a large number of anti-Castro statements throughout the Hemisphere which were then exploited for their propaganda value (for a sampling of such statements, please see Annex #2).
- f. The President's trip to Mexico which demonstrated dramatically for the Castro regime the close relationship between the peoples and governments of the two nations.
- g. Special reference to the plight of the Cuban people by Latin American clergy during religious services.
- h. Examples of labor activity include a symbolic work stoppage in Costa Rica on 7 January 1962 designed to call attention to the plight of Cuban laborers. The Archbishop instructed priests to toll church bells at the beginning and end of the five-minute period. On 3 June 1962 in Venezuela,



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Jose Gonzalez Navarro, President of the Venezuelan Federation of Labor, decried conditions in Cuba and organized demonstrations in support of President Betancourt. In July 1962 a Chilean labor leader. recently returned from Cuba, spoke of the disillusionment in Cuba. During February 1962, seventeen Secretaries General of Campesino Unions in La Paz approved a resolution against Cuba. In March the La Paz Federation of Teachers chastized the Bolivian National Federation for its pro-Castro attitude. In January 1962 the Venezuelan Labor Confederation adopted a resolution condemning the Communist dictatorship in Cuba and, finding the Cuban CTC not a free labor movement, abrogated its mutual assistance pact of 1960. In April 1962 the National Congress of Bolivian Railroad Workers rejected a resolution supporting the Castro Regime. A number of other actions, initiated outside this project, are designed to assist Latin American Unions and will contribute indirectly to this project.

- Instructions to all posts emphasizing the importance of developing youth assets in the cold war struggle and urging the inclusion of student and other leaders in the exchange of persons program.
- i. Instructions to block Cuban accreditation to the ECE.
- k. Instructions to deny Cuban participation in the ILO.
- Instructions to block Cuban entry into the proposed Latin American Free Trade Area.
- m. Examples of actions initiated outside of the project which contribute indirectly include arrangements for sending eight U.S. coaches to thirteen Latin American countries for a period of three weeks in each country to assist in training for the Caribbean games and world-wide guidance on the Helsinki Youth Conference, to which the Cubans reportedly plan to send a large delegation.

2. Economic

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- a. U.S. embargo on trade with Cuba.
- b. General decline of trade between the free world and Cuba. (While a variety of factors have contributed to this situation, U.S. Embassy activities in this field have made a substantial contribution to the decline in trade. For a list of specific actions taken, please see Annex #3).
- c. Tightening of transhipment controls, particularly in Canada and Mexico.
- d Extension of technical data controls to include Cuba.
- e. Extension of U.S. Customs control procedures to U.S. ports in addition to Miami for the purpose of guarding against transhipment of U.S. goods to Cuba.
- Application to Cuban or Cuban-chartered vessels of port security measures in force for Soviet Bloc vessels.
- g. Denial of bunking facilities at U.S. ports to vessels under Sino-Soviet Bloc charter carrying cargo between Cuba and 'sloc ports.
- In the early stages of the project an inter-agency committee h. consisting of representatives of State, Commerce, Treasury and CIA met to explore further possibilities of economic action against Cuba. As a result of following up with the individual members, the above listed actions were accomplished. Mention should be made of the thorough study undertaken to determine the feasibility of entering the tanker charter market. The results of this study indicated that since there was an over-supply of tankers, preclusive action on our part would prove very expensive without compensatory effect. It is difficult to predict when opportunities might arise in the Cuban situation in which economic warfare would be effective. If Cuba's convertible currency position continues to deteriorate (and the poor sugar crop would so augur), we can look for a continued decline in trade between Cuba and the free world,

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thus reducing the opportunities (and perhaps necessity) for economic warfare. Nonetheless, we should develop this capability in advance, so that opportunities, when and if they arise, can be exploited.

3. Psychological

(The Department chairs a working-level inter-agency psychological warfare committee which supports the Cuba project, although it is not an organic part of the operation. The Committee coordinates the propaganda activities of the agencies involved, determines themes for exploitation and assigns operational responsibility).

The principal themes that have been emphasized are:

- a. the failures and betrayed promises of the Castro regume;
- the suppression of human rights, economic deterioration and social injustice in Cuba;
- Cuba's domination by Communism and alignment with the Sino-Soviet Bloc;
- d. Cuban subversive attempts elsewhere in the Hemisphere;
- e. Cuba's isolation from the rest of the Hemisphere;
- opposition to Cuba at international conferences;
- g. activities of democratic anti-Castro groups;
- h. the Castro regime is not permanent.

The Committee has had a role in bringing about the following accomplishments:

- a. Indictment of the Prensa Latina representative in New York.
- Exposure of author Waldo Frank's acceptance of money from the Cuban Government.

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- c. Exploitation of the poor quality of Soviet Bloc medicine in Cuba.
- d. Widely distributed pamphlet on the subversion of the University of Habana.
- e. Effective anti-Castro activity at the UNESCO-ECIA conference on education in Santiago, Chile, March 1962.
- Exposure of the Cuban "troika" attempt to appear pro-Western, neutralist and pro-Communist at the same time.
- g. Publicized Cuban charge declared Persona Non Grata by Philippine Government in October 1961.
- h. Dissemination of reports on Guban attempts to subvert a peaceful solution of the Dominican problem after Truillo's assassination.
- Establishment of a program under which U.S. Embassies in Latin America forward clippings from all available publications, which indicate anti-Castro attitudes.
- Compilation of material for magazine length article on Cuba in all languages by <u>Readers Digest</u>.
- k. U.S. television programs on Cuba.

Refugee Matters.

a. Cuban Groups - Since the adoption of the policy of open liaison with the CRC and other exile groups, the Department has been the focal point of innumerable visits from Cuban exiles who raise a wide variety of problems. The Department uses these visits to re-assure exiles that Cuba has not been abandoned and to resolve policy problems as they arise. Constant liaison is maintained with HEW. At present, the Department is assisting in the arrangements for the training of a small group of exile military officers at advanced US military schools.

b. Pan-American Airways is seeking financial assistance through the Department to ameliorate the loss PAA sustains

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from its Miami-Habana-Miami run. PAA reports it has 2,500,000 pesos in Habana which it is unable to convert and that this sum is increasing at the rate of approximately 900,000 pesos annually. In addition. PAA maintains it loses approximately \$1,000 a day operationally, since their aircraft fly to Habana vartually empty. PAA appears reluctant to continue the service indefinitely without US assistance. The Department believes that since the PAA flights are the main avenue of escape for anti-Castro Cubans, the US has an interest in seeing that the flights are maintained both from the standpoint of our public posture and of intelligence collection. Investigation of the availability of funds for this purpose, including discussions with the CAB, have not proved fruitful to dat

Prisoner Exchange - The Department has assisted the Cuban Families Committee to the extent possible in the Committee's efforts to obtain the release of the Brigade prisoners. Tax deductibility was arranged and official public statements favoring its efforts were stimulated. During the trials public statements from a number of Latin American Presidents and from the Prime Minister of Canada urging humanitarian treatment were arranged and were probably largely responsible for the fact that no death sentences were passed. Indirect efforts to of tain the prisoners' release in exchange for food were attempted through the Cuban UN Ambassador and through the Families Committee.

Operational Estimates ш -

Political and Economic

Given the present attitude toward the Cuban problem of friendly nations in the Hemisphere and elsewhere, and barring the unforseen, the potential for accomplishing significant and effective, new, overt political and economic measures against Cuba (unilaterally, bilaterally and multilaterally) appears limited. In the economic field, there may arise opportunities when we might covertly engage in economic warfare with good effect. The present unavailability of funds specifically designed for economic warfare purposes would prevent us from taking advantage of such opportunities.

Attachments:

1. Annex #1

- 2. Annex #2
- 3. Annex #3

(signed) ROBERT A. HURWITCH

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Annex #1

Status of the Implementation of the Punta del Este Resolutions

 Resolution II - Measures to Combat the Subversive Action of International Communism

Pursuant to this resolution the Council of the OAS elected the members to comprise the Special Consultative Committee on Security on March 21, 1962. The Committee met during the month of April and submitted its Initial Genéral Report to the Council on April 30. To date two governments (United States and Argentina) have submitted their comments and others are expected to do so in the near future. We are developing a program looking toward a second meeting of the SCCS in the early fall.

2. Resolutions VI and VII - Exclusion of Cuba from OAS Participation

On February 14, 1962 the Council excluded the Cuban Delegate from further participation in the Council sessions. This was accomplished through a ruling of the Chair which went unchallenged, except by the Cuban. He interrupted the proceedings to make a short speech and then departed. The Cuban Delegation soon thereafter returned to Cuba.

At about the same time the Secretary General of the OAS also suspended further program benefits to Cuba provided by the General Secretariat and terminated the sending of documents and publications.

The box score on exclusion in other organs and organizations of inter-American system is as follows:

February 15, 1962 - Inter-American Defense Board

The Council of Delegates took official recognition of Resolution VII by which the Foreign Ministers specifically excluded the present Government of Cuba from the Inter-American Defense Board with immediate effect.

February 21, 1962 - Inter-American Institute of Agricultural Sciences

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At a meeting of the Governing Board of the Institute the Chairman ruled that the present Government of Cuba was excluded from further participation in the Board. The ruling went unchallenged.

March 21, 1962 - Committee for Cultural Action

The Council of the OAS, acting on a report of its General Committee concerning additional measures by the COAS to implement Resolution VI, agreed that it was necessary to elect a new member to the Committee for Cultural Action replacing Cuba.

April 3, 1962 - Inter-American Nuclear Energy Commission

At the fourth meeting of the IANEC in Mexico City, the Chairman in the opening session noted the applicability of Resolution VI to IANEC. He was not challenged in his ruling. Cuba did not send a delegation.

April 27, 1962 - Pan American Health Organization

The Executive Committee decided not to take action on Resolution VI but to leave this to the conference to be held in August of this year. Cuba sent an observer. (The case of PAHO is complicated by the fact that the organization also serves as the Regional Office of WHO and that in this dual capacity Cuba had the right to participate by virtue of its WHO membership.

On April 26, 1962 we distributed through the UN our reply to a Cuban note of April 19 charging that we were trying to expel Cuba from the PAHO.

June 9, 1962 - Pan American Institute of Geography and History

The Directing Council approved a resolution suspending the present Government of Cuba from further participation in the Institute. The vote was 8 to 0 with five absentions (Bolivia, Brazil, Canada, Chile and Mexico). Two Cuban delegates came to the meeting but the Chairman succeeded in persuading them not to insist on presenting credentials. They departed the meeting before the opening session.

July 12, 1962 - Inter-American Commission of Women

At a meeting of the Executive Committee the members acknowledged the applicability of Resolution VI to the IACW. There was no dissenting opinion.

3. Resolution VIII - Suspension of Trade with Cuba.

Pursuant to this resolution the Council of the OAS has established a Special Committee (Argentina, Colombia, Dominican Republic, El Salvador, Panama, Peru, United States) to study "the feasibility and desirability of extending the suspension of trade with Cuba to other items (than arms), with special attention to items of strategic importance." We have prepared a program to be advanced in this Committee at a suitable opportunity.

We have consulted with the Chairman of the OAS on the desirability of extending the role of this Special Committee to include the vigilance function assigned to the Council by the MFM in paragraph 1 of Resolution II.

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Annex #2

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Examples of Anti-Castro Statements Made in the Hemisphere Since the Punte del Este Meeting

- Costa Rica Ex-President Figueres hailed the defeat of Castro Communism in Guatemala, Costa Rica, Venezuela and Peru. With regard to Castro he said "The day for the battle will come. Cuba awaits it."
- Peru Peruvian national radio broadcast that in addition to being a traitor, "Fidel Castro has furned out to be a malignant tumor spreading throughout the continent."
- Uruguay Montevideo newspaper charged that "the life of the accused in Cuba is at the mercy of the whims of the members of these so-called revolutionary tribunals imposed by Castro."
- 4. Argentina Juan Antonio Solari, leader of the Argentine Social Democratic Party, in congratulating Betancourt publicly stated that Betancourt support by the people will win over the extreme left and Castro communist elements that have produced two bloody uprisings.
- 5. Brazil Hundreds of labor leaders publicly affirmed their anti-Castro stand.
- Colombia The national radio called upon the peoples of America to defend against Russian imperialism and the continental expansion plans of Fidel Castro.
- Costa Rica The Costa Rican labor federation adopted a resolution condemning Fidel Castro.
- 8. Bolivia The Bolivian University Confederation manifested its opposition to Cuban harassment of higher education.
- San Salvador The general public manifested its opposition to Castro-communist led student demonstrators.
- Paraguay The Febrerista Party publicly expelled its strongly pro-Castro left wing.

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Annex #3

Specific Economic Actions Taken by Foreign Governments at U.S. Request

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General Comment

The policies and actions which the United States might feasibly adopt and undertake against Cuba (short of the employment of military force) will at best probably have only marginal effect on Cuba, as compared to the policies and actions of the Castro regime itself and those of the USSR. We should measure, therefore, our policies and programs (the utilization of United States manpower, time, money and other resources together with the risk of Cuban exile lives) with respect to Cuba against the likelihood of significantly and favorably influencing the course of events in Cuba and against the risks involved for the United States elsewhere.

A commitment now to employ United States military force against Cuba some time in the future (choices (c) and (d) below) would appear to be neither feasible nor desirable. The basic question would appear to be whether there are actions other than United States military intervention the United States can undertake against Cuba which are likely to hasten significantly the downfall of the Castro regime. Specific comments on the four possible courses of action follow:

 a) Cancel operational plans; treat Cuba as a Bloc nation; protect hemisphere from it.

Comment

Cuba will probably continue to be mis-managed for the forseeable future, even if we did nothing to exacerbate the situation. The spectacle of a mis-managed Cuba with a discontented population would damage the Soviet, communist and Castro images in the Hemisphere and elsewhere. Cuba would probably remain an economic and perhaps to some extent a political burden for the Bloc.

In treating Cuba as a Bloc nation, we could maintain the current program of diplomatic, economic and psychological pressure upon the regime as well as that of infiltrating intelligence agents. This program coupled with Castro and Soviet policies may result in alienating the population from the Castro regime to the extent that a revolt may occur. Other circumstances may arise in which the Castro regime may be influenced to adopt a more neutralist course, without necessarily altering its internal structure.

/ If the public posture of the United States became one of accommodation leading eventually to re-establishment of diplomatic relations with the Castro

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regime, however, the communist Castro elements in the Hemisphere and elsewhere would probably be encouraged and the anti-communist Castro elements disheartened.

 Exert all possible diplomatic, economic, psychological and other pressures to overthrow the Castro-Communist regime without overt U.S. military commitment.

Comment

The essential distinction between this course of action and the foregoing would appear to be that of engaging in more active covert operations, such as sabotage, and infiltration of guerrillas, in the hope that such action might provide the catalyst to hasten a revolt by the Cuban people.

If this course were adopted, as compared to (a) above, the Castro regime would probably be kept more off balance and forced to employ more of its resources defensively. The anti-Castro elements in Cuba would probably be more encouraged and may undertake more actions against the regime than would otherwise be the case. The Castro regime would probably tighten its defenses and engage in more severe and widespread repression. Cuba under the foregoing circumstances would also be an unattractive model.

The additional covert activities that may be undertaken would, if successful, probably enlance the possibility of sufficiently broad popular disaffection, active resistance and intrigue at top governmental levels to cause a change in the regime or possibly bring about a situation of virtual civil war under circumstances in which it might prove politically and militarily feasible for the U.S. to intervene with force.

If this course were adopted, it should be recognized that 1) this could be a long term program in which the overthrow of the Castro regime would not be guaranteed; 2) barring the unforseen, further overt U.S. diplomatic and economic actions against Cuba are limited in scope; 3) Cuban recruits are reluctant to risk their lives in fomenting disorders without a commitment that U.S. military force will be employed if necessary; 4) Cuba could still act against the Hemisphere, although with probably reduced effectiveness; and 5) indications of greater covert U.S. activity could result in rallying some indecisive elements of the Cuban population to support the regime.

c) Commit U.S. to help Cubans overthrow the Castro-Communist regime, with a step-by-step phasing to ensure success, including the use of U.S. military force if required at the end.

Comment

The essential difference between this course of action and (b) above would appear to be the commitment to employ U.S. military force if required. Many of the considerations described in (b) above are applicable to this course of action as well. If this course were adopted and the employment of U.S. military force could be guaranteed, the overthrow of the Gastro regime could probably be brought about.

If this course were adopted, it should be recognized that 1) employment of U.S. military force in Cuba under circumstances that are considered unjustified under international law would constitute intervention, would place us in violation of the UN and OAS charters, would have adverse repercussions in the Hemisphere, would probably jeopardize the Alliance for Progress program and could make us the object of Rio Treaty Article 6 action; 2) the world situation may be such that it would be politically and militarily unfeasible for us to fulfill a commitment to employ U.S. military force; 3) such a commitment to Cuban exiles would become quickly and widely known and this could seriously complicate our relations with a number of friendly nations; 4) such a commitment could enable the Cuban exiles to "call the tune" and place the U.S. in an untenable position; 5) knowledge of a commitment to employ U.S. military force would solidify internal support for Castro at least in the short term; 6) if U.S. military force is employed, the Bloc would probably exert strong pressure in areas of the world important to the U.S. national interest and where U.S. military force may have to be made available; 7) as the phases progress, the "noise level" would increase substantially and the U.S. must be prepared to defend convincingly in international forums against charges of plotting to overthrow another government.

 d) Use a provocation and overthrow the Castro-Communist regime by U.S. military force.

Comment

It is assumed that the provocation visualized is an action by the Castro regime which would justify, under international law, the employment of U.S. military force against Cuba. If such is not the provocation, the considerations regarding the use of U.S. military force described in (c) above would be applicable, only more so. While the Castro regime is unpredictable, the possibility of the

regime engaging in an action which would provide us with an opportunity, justified under international law to employ U.S. military force, would appear to be remote.

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